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RUCNWTO/WORLD TRADE ORGANIZATION COLLECTIVE PRIORITY  
RUEHBY/AMEMBASSY CANBERRA PRIORITY 5223  
RUEHNZ/AMCONSUL AUCKLAND PRIORITY 1710  
RUEHDN/AMCONSUL SYDNEY PRIORITY 0700  
RUEHGV/USMISSION GENEVA PRIORITY 0496

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SIPDIS

STATE FOR EEB, EAP/ANP, EAP/PD, STATE PASS TO USTR

E.O. 12958: N/A

TAGS: ECON ETRD OPRC PREL WTRO NZ

SUBJECT: NEW ZEALAND TRADE MINISTER'S REACTION TO DOHA  
OUTCOME

REF: STATE 81715

¶1. Action Request - see paragraph 5.

¶2. In a press release issued Wednesday (7-30), NZ Trade Minister Goff said, "Despite substantial progress made across a range of issues taking us closer to agreement than the (DOHA) Round has ever been...differences of opinion between the U.S. and India over a safeguard mechanism to protect farmers in the developing world was unable to be resolved." Goff went on to say, "while all countries are obliged to pursue their legitimate national interests, it is equally important that each sees that no country's real interests are served by a failure to reach an outcome." Trying to keep hope alive, he expounded further the same day in a radio interview (RadioNZ) saying, "it doesn't mean the round has failed but what it does mean is we won't achieve an outcome to the round this year, which was a realistic expectation at the start of the talks." Local press coverage has tried to express the concerns of both developing and developed nations' positions but the U.S. is featured as the developed country party unable to reach compromise with India and other developing countries seen as vulnerable to competition from large foreign producers.

¶3. On Thursday (7-31), Econoff spoke with Trade Minister Goff's Special Assistant, Catherine McIntosh (Goff en route from Geneva) and delivered the provided talking points (reftel) along with Ambassador Schwab's statement regarding Doha. Econoff stressed that it is neither helpful nor accurate to reduce the outcome solely to a disagreement between the U.S. and India as Goff's statement yesterday appeared to do.

¶4. Econoff pointed out that some reportage like "The Press" newspaper (Christchurch) in an article published Thursday entitled "Free trade vital" attempted to better explain the complexity of the situation. Econoff drew her attention to the statement, "... they (China & India) were pitched not against the U.S. and EU...but rather against Latin American countries like Brazil & Uruguay which are seeking opportunities for their highly efficient agricultural exporters." While Econoff said that he recognized that this statement was not a definitive rendition of events but used it as an example of a more nuanced attempt to better explain the dynamic in Geneva. Econoff also pointed out that shadow Trade Spokesman Groser was quoted in the press as saying it's not helpful to try and lay blame but continue efforts to conclude the Round. Econoff said the Embassy would welcome the opportunity to discuss this further with the Minister when is back in office next Monday.

¶5. ACTION REQUEST. Embassy requests assistance from USTR, EEB and Public Affairs in developing or identifying materials to use with Minister Goff and to set the public record straight. One option might be an OpEd, which might better reflect events. Another possibility might be a DVC with journalists and government trade officials. Embassy appreciates any additional guidance on this topic.

McCORMICK